VZCZCXRO3095 OO RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHJA #0040/01 0091024 ZNY CCCCC ZZH O 091024Z JAN 09 FM AMEMBASSY JAKARTA TO RUEHC/SECSTATE WASHDC IMMEDIATE 1186 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS COLL PRIORITY RHMFISS/BUMED WASHINGTON DC PRIORITY RHHJJPI/USPACOM HONOLULU HI PRIORITY RULSAAV/NAVMEDRSCHCEN SILVER SPRING MD PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUENAAA/SECNAV WASHDC PRIORITY RUEHBJ/AMEMBASSY BEIJING 5815 RUEHBY/AMEMBASSY CANBERRA 3496 RUEHKA/AMEMBASSY DHAKA 1558 RUEHNE/AMEMBASSY NEW DELHI 2583 RUEHUL/AMEMBASSY SEOUL 5313 RUEHKO/AMEMBASSY TOKYO 2937 RUEHWL/AMEMBASSY WELLINGTON 3409 RUEHHK/AMCONSUL HONG KONG 3225 RUEHBAD/AMCONSUL PERTH 1399 RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC

C O N F I D E N T I A L SECTION 01 OF 03 JAKARTA 000040

SIPDIS

DEPT FOR EAP, EAP/MLS, EAP/MTS, EAP/RSP, PM, L, L/T, L/PM NSC FOR E.PHU SECDEF FOR USAP/ISA/APSA D.WALTON USPACOM FOR PEDROZO

E.O. 12958: DECL: 01/08/2019 TAGS: <u>PREL PGOV MARR ID</u>

SUBJECT: CHARGE DISCUSSES BILATERAL ISSUES WITH KEY GOI OFFICIAL

REF: 08 JAKARTA 1913 AND PREVIOUS

Classified By: Charge d'Affaires a.i. John A. Heffern, reasons 1.4 (b+d).

- 11. (C) SUMMARY: The Charge discussed important bilateral issues with a key GOI official on January 7. He said that the USG looked forward to discussing President Yudhoyono's proposal for a Strategic Partnership. He also urged Indonesia to move forward on a bilateral Defense Cooperation Agreement (DCA) as soon as possible. Finally, the Charge urged the GOI to renew visas for the personnel of a U.S. Naval medical research laboratory in Jakarta.
- 12. (C) SUMMARY (Con'd): The officials said Indonesia looked forward to discussions on a possible Strategic Partnership. The GOI was still exploring the possibility of concluding a DCA in the next month but had yet to reach an interagency consensus. The GOI official questioned why visa renewals were necessary when the Ministry of Health had ordered the laboratory to halt cooperation with Indonesian institutions pending completion of a new agreement that governed its operations. END SUMMARY.

STRATEGIC PARTNERSHIP

- 13. (C) The USG continued to consider President Yudhoyono's proposal that the United States and Indonesia conclude a Strategic Partnership agreement, Charge assured Ambassador Retno Marsudi, Director General for European and American Affairs at the Department of Foreign Affairs (DEPLU), on January 7. Charge noted that since FM Wirajuda had reiterated the GOI's interest in this idea to Ambassador Hume in a December 2 meeting, Mission had identified four potential elements of such a partnership. These were: promoting democracy, ensuring regional security, tackling climate change and fostering educational cooperation.
- 14. (C) Charge underscored that Mission looked forward to

working with Ambassador Retno and DEPLU colleagues explore possible elements of the partnership. It would be critical to determine the key values and ideals that were the foundation of the partnership. He noted that Mission's thinking on this was still at a preliminary stage and that Mission was expecting input from the Department.

- 15. (C) A U.S.-Indonesia Strategic Partnership should incorporate existing bilateral cooperation, the Charge noted, but must launch new initiatives. For these reasons, it was important to conclude beforehand bilateral agreements already near completion in order to open the way for new undertakings. The nearly-finalized Fulbright MOU and Biosecurity Engagement Program (BEP) MOU were two such agreements. Noting that the Ministry of Health (DEPKES) reportedly still had concerns regarding the BEP, Charge suggested DEPKES "opt out" of the BEP, allowing other ministries-- particularly the Ministry of Agriculture and Ministry of Science and Technology--to move forward.
- 16. (C) Ambassador Retno responded that FM Wirajuda had instructed her to work with USG on the partnership. She agreed that it would be critical to determine "what the partnership meant" and what underlying principles should support it. She said that Indonesia was keen to begin discussion as soon as USG was ready to move forward. Retno also urged including economic elements, such as cooperation, trade and investment; these were key elements of Indonesia's other partnership agreements.

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DEFENSE COOPERATION AGREEMENT

- 17. (C) Charge noted USG had been discussing a possible defense cooperation agreement (DCA) with the Department of Defense (DEPHAN) and the two were close to agreement on a text. The DCA was an example of the sort of bilateral agreement that could be concluded in the near term. It formalized ongoing cooperation and was not a new initiative. For this reason, it made sense to conclude the DCA before moving ahead with the Strategic Partnership. This would provide momentum for the Strategic Partnership. He urged Ambassador Retno to spur quick conclusion of the DCA.
- 18. (C) Ambassador Retno was open to considering expediting the DCA's conclusion but said DEPHAN had yet to provide an updated version of the DCA text. (Note: Mission subsequently sent a copy of the latest Washington-cleared text to DEPLU.) Retno said she wanted to help where possible and would discuss the issue with DEPHAN.
- 19. (C) Note: Retno's openness to an earlier conclusion contrasts with DEPHAN statements to DATT and poloff on December 31 that the GOI wanted to sign a DCA at the ministerial level after both countries had signed a Strategic Partnership agreement, possibly during a visit by President-elect Obama, which they thought might occur in November. Mission believes this inconsistency indicates the GOI is still developing a position on the USG draft of the DCA and on timing and context. Mission will continue to push both ministries toward a consensus in favor of an earlier scenario. End Note.

NAMRU VISAS

110. (C) The Charge pressed Retno to ensure visa renewals for staff assigned to the U.S. Naval Medical Research Unit (NAMRU) in Jakarta. DEPLU officials had previously suggested NAMRU staff would receive six-month visa renewals as an interim measure until the USG and GOI had concluded a new MOU for NAMRU's operation. (Note: Negotiations have stalled due to domestic political debate over NAMRU's presence in Indonesia--see reftel.) The USG saw this interim measure as a good-faith way of maintaining the status quo until a new MOU was concluded.

- 111. (C) Charge said DEPLU had refused to renew the visas of two key NAMRU staff without explanation. Continued refusal to approve these visas would effectively shut down NAMRU's operations, as the laboratory could not function without these personnel. DEPLU should renew these visas as soon as possible, Charge urged.
- 112. (C) Ambassador Retno said DEPLU wanted to work together on this matter but negotiations on the MOU could not resume until September 2009. (Note: Indonesia's parliamentary and presidential elections will be concluded by that time.)

 NAMRU visa renewals were a separate matter. The Ministry of Health had instructed NAMRU to halt all sample sharing with Indonesian institutions. In light of this, it was not clear to DEPLU what operations continued to require U.S. personnel.
- 113. (C) Charge said MOU had, indeed, halted NAMRU's sample sharing cooperation with Indonesian institutions, but the lab continued to conduct work that did not require sample sharing, as well as other forms of cooperation. Charge stressed that failure to renew visas for key American staff would effectively result in NAMRU's closure as early as July. If this happened, there was little likelihood NAMRU-2 would restart its operations in Indonesia--even if the GOI signaled

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- a readiness to conclude a new MOU after the elections. Closure would effectively end the negotiations.
- 114. (C) Charge noted that the United States and Indonesia were making progress on a number of sensitive global health issues, including the sharing of avian influenza virus samples. NAMRU could contribute to that cooperation, as it had in the past. Both sides should therefore seek a way to keep NAMRU open until outstanding issues were resolved and a new MOU was in place.

HEFFERN